## The Challenge

U.S. interests in Panama include strengthening regional security, combating international crime, and supporting democracy. Security of the Panama Canal remains a priority. The United States and Panama are committed to deepening their trade relationship. Panama is a crossroads for international commerce, but also a center for illegal activity such as drug trafficking, money laundering, trafficking in arms, and illegal immigration. Refugees and incursions by insurgents from Colombia's civil conflict pose additional challenges. USAID programs contribute to the smooth transit of world commerce through the Canal, trade competitiveness, transparency and accountability in government, a strengthened justice system, and a reduced potential for cross-border conflict. Private and public capital is leveraged to support policy reforms, best practices, community participation, and strengthening civil society organizations for advocacy and holding government accountable.

## **Objectives, Sectors and Workforce**

Mission Director (Acting): Kermit Moh

MCA Status: Not a Candidate PEPFAR Focus Country: No

Exceeded

Direct SO

Admin.

Cost Ratio 0.17

0.39

0.34

Provided or Received Services From Other Missions: Received

1,628

2,594

1.6%

Program Budget (Appropriations by Objective)	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07	Perf	05 SO ormance Score
525-006 Rural Community Development	0	750	0	0	N/A	0.95	Met
525-021 Ruling Justly	1,000	2,226	990	0	N/A		
525-022 Economic Freedom	5,622	5,125	4,335	3,180	-43.4%	1.39	Exceeded
Country Total	6,622	8,101	5,325	3,180	-52.0%		
	1	T		,			
	FY 2004	FY 2005	FY 2006	FY 2007	Percent		
Program Budget (Appropriations by Account)	(\$000)	(\$000)	(\$000)	(\$000)	Change		
D 1 14 14	,	( '	,	<b>(</b> • ,	FY 04-07		
Development Assistance	5,622	5,125	4,335	3,180	-43.4%		
Economic Support Fund	1,000	2,976	990	0	N/A		
Total	6,622	8,101	5,325	3,180	-52.0%		
	1	1		1			
Dunament Dudant has Contain and Annount	FY 2004	FY 2005	FY 2006	FY 2007	Percent		
Program Budget by Sector and Account	(\$000)	(\$000)	(\$000)	(\$000)	Change		
Agriculture and Environment DA	5,122	4,279	4,137	3,180	FY 04-07 -37.9%		
S .							
Economic Growth DA ESF	500 0	846 750	198 0	0	N/A N/A		
			990	0			
Democracy and Governance ESF	1,000	2,226		-	N/A		
Total	6 622	0 101	E 22E	2 100	E2 00/		
Total	6,622	8,101	5,325	3,180	-52.0%		
Total	6,622	8,101	5,325	3,180			
		· · ·			Percent		
Total Workforce	<b>6,622</b> FY 2004	8,101 FY 2005	<b>5,325</b> FY 2006	<b>3,180</b> FY 2007	Percent Change		
Workforce	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07		
Workforce  US Direct Hires	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07 0.0%		
Workforce  US Direct Hires US Non Direct Hires	FY 2004	FY 2005 2 3	FY 2006 2 3	FY 2007 2 0	Percent Change FY 04-07 0.0% N/A		
Workforce  US Direct Hires US Non Direct Hires Foreign Nationals	FY 2004 2 2 2	FY 2005 2 3 26	FY 2006 2 3 26	FY 2007 2 0 17	Percent Change FY 04-07 0.0% N/A -22.7%		
Workforce  US Direct Hires US Non Direct Hires	FY 2004	FY 2005 2 3	FY 2006 2 3	FY 2007 2 0	Percent Change FY 04-07 0.0% N/A		
Workforce  US Direct Hires US Non Direct Hires Foreign Nationals	FY 2004  2 2 22 26	FY 2005  2 3 26 31	FY 2006 2 3 26 31	FY 2007  2 0 17 19	Percent Change FY 04-07 0.0% N/A -22.7% -26.9%		
Workforce  US Direct Hires US Non Direct Hires Foreign Nationals Total	FY 2004  2 2 22 26  FY 2004	FY 2005  2 3 26 31  FY 2005	FY 2006  2 3 26 31  FY 2006	FY 2007  2 0 17 19  FY 2007	Percent Change FY 04-07 0.0% N/A -22.7% -26.9%		
Workforce  US Direct Hires US Non Direct Hires Foreign Nationals	FY 2004  2 2 22 26	FY 2005  2 3 26 31	FY 2006 2 3 26 31	FY 2007  2 0 17 19	Percent Change FY 04-07 0.0% N/A -22.7% -26.9% Percent Change		
Workforce  US Direct Hires US Non Direct Hires Foreign Nationals Total  Operating Expense	FY 2004  2 2 22 22 26  FY 2004 (\$000)	FY 2005  2  3  26  31  FY 2005 (\$000)	FY 2006  2 3 26 31  FY 2006 (\$000)	FY 2007  2  0 17 19  FY 2007 (\$000)	Percent Change FY 04-07 0.0% N/A -22.7% -26.9% Percent Change FY 04-07		
Workforce  US Direct Hires US Non Direct Hires Foreign Nationals Total  Operating Expense  Salaries and benefits	FY 2004  2 2 22 22 26  FY 2004 (\$000) 463	FY 2005  2  3  26  31  FY 2005 (\$000)	FY 2006  2 3 26 31  FY 2006 (\$000) 401	FY 2007  2  0 17 19  FY 2007 (\$000)	Percent Change FY 04-07 0.0% N/A -22.7% -26.9% Percent Change FY 04-07 -38.0%		
Workforce  US Direct Hires US Non Direct Hires Foreign Nationals Total  Operating Expense  Salaries and benefits Travel	FY 2004  2 2 22 26  FY 2004 (\$000) 463 71	FY 2005  2  3  26  31  FY 2005 (\$000)  471  70	FY 2006  2  3  26  31  FY 2006 (\$000)  401 62	FY 2007  2  0 17 19  FY 2007 (\$000)  287 46	Percent Change FY 04-07 0.0% N/A -22.7% -26.9% Percent Change FY 04-07 -38.0% -35.2%		
Workforce  US Direct Hires US Non Direct Hires Foreign Nationals Total  Operating Expense  Salaries and benefits Travel Transportation of things	FY 2004  2 2 22 26  FY 2004 (\$000)  463 71 17	FY 2005  2  3  26  31  FY 2005 (\$000)  471  70  32	FY 2006  2 3 26 31  FY 2006 (\$000)  401 62 23	FY 2007  2  0 17 19  FY 2007 (\$000)  287 46 4	Percent Change FY 04-07 0.0% N/A -22.7% -26.9% Percent Change FY 04-07 -38.0% -35.2% -76.5%		
Workforce  US Direct Hires US Non Direct Hires Foreign Nationals Total  Operating Expense  Salaries and benefits Travel Transportation of things Rent	FY 2004  2 2 22 26  FY 2004 (\$000)  463 71 17 121	FY 2005  2 3 26 31  FY 2005 (\$000)  471 70 32 93	FY 2006  2 3 26 31  FY 2006 (\$000)  401 62 23 112	FY 2007  2  0  17  19  FY 2007 (\$000)  287  46  4 112	Percent Change FY 04-07 0.0% N/A -22.7% -26.9% Percent Change FY 04-07 -38.0% -35.2% -76.5% -7.4%		
Workforce  US Direct Hires US Non Direct Hires Foreign Nationals Total  Operating Expense  Salaries and benefits Travel Transportation of things Rent Security	FY 2004  2 2 22 26  FY 2004 (\$000)  463 71 17 121 9	FY 2005  2 3 26 31  FY 2005 (\$000)  471 70 32 93 11	FY 2006  2 3 26 31  FY 2006 (\$000)  401 62 23 112 12	FY 2007  2  0 17 19  FY 2007 (\$000)  287 46 4	Percent Change FY 04-07 0.0% N/A -22.7% -26.9% Percent Change FY 04-07 -38.0% -35.2% -76.5% -7.4% 66.7%		
Workforce  US Direct Hires US Non Direct Hires Foreign Nationals Total  Operating Expense  Salaries and benefits Travel Transportation of things Rent Security Equipment	FY 2004  2 2 22 26  FY 2004 (\$000)  463 71 17 121 9 69	FY 2005  2 3 26 31  FY 2005 (\$000)  471 70 32 93 11 51	FY 2006  2 3 26 31  FY 2006 (\$000)  401 62 23 112 12 9	FY 2007  2 0 17 19  FY 2007 (\$000)  287 46 4 112 15	Percent Change FY 04-07 0.0% N/A -22.7% -26.9% Percent Change FY 04-07 -38.0% -35.2% -76.5% -7.4% 66.7% -94.2%		
Workforce  US Direct Hires US Non Direct Hires Foreign Nationals Total  Operating Expense  Salaries and benefits Travel Transportation of things Rent Security Equipment ICASS - Operating Expense only	FY 2004  2 2 22 26  FY 2004 (\$000)  463 71 17 121 9 69 58	FY 2005  2 3 26 31  FY 2005 (\$000)  471 70 32 93 11 51 33	FY 2006  2 3 26 31  FY 2006 (\$000)  401 62 23 112 12 9 36	FY 2007  2 0 17 19  FY 2007 (\$000)  287 46 4 112 15 4 45	Percent Change FY 04-07 0.0% N/A -22.7% -26.9% Percent Change FY 04-07 -38.0% -35.2% -76.5% -7.4% 66.7% -94.2% -22.4%		
Workforce  US Direct Hires US Non Direct Hires Foreign Nationals Total  Operating Expense  Salaries and benefits Travel Transportation of things Rent Security Equipment ICASS - Operating Expense only Other Operating Expense	FY 2004  2 2 22 26  FY 2004 (\$000)  463 71 17 121 9 69 58 143	FY 2005  2 3 26 31  FY 2005 (\$000)  471 70 32 93 11 51 33 108	FY 2006  2 3 26 31  FY 2006 (\$000)  401 62 23 112 12 9 36 160	FY 2007  2  0  17  19  FY 2007 (\$000)  287  46  4  112  15  4  45  148	Percent Change FY 04-07 0.0% N/A -22.7% -26.9% Percent Change FY 04-07 -38.0% -35.2% -76.5% -7.4% 66.7% -94.2% -22.4% 3.5%		
Workforce  US Direct Hires US Non Direct Hires Foreign Nationals Total  Operating Expense  Salaries and benefits Travel Transportation of things Rent Security Equipment ICASS - Operating Expense only	FY 2004  2 2 22 26  FY 2004 (\$000)  463 71 17 121 9 69 58	FY 2005  2 3 26 31  FY 2005 (\$000)  471 70 32 93 11 51 33	FY 2006  2 3 26 31  FY 2006 (\$000)  401 62 23 112 12 9 36	FY 2007  2 0 17 19  FY 2007 (\$000)  287 46 4 112 15 4 45	Percent Change FY 04-07 0.0% N/A -22.7% -26.9% Percent Change FY 04-07 -38.0% -35.2% -76.5% -7.4% 66.7% -94.2% -22.4%		

Program Funded Administrative Expenses

**Country Total Administrative Budget** 

Percent of Bureau OE Total

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Mission Summary	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	3,311	4,051	2,663	1,590
Program per All US (\$000)	1,656	1,620	1,065	1,590
Program per Position (\$000)	255	261	172	167
Operating Expense as % of Program Funding				20.8%
Program Funded Admin Expense as % of Total Admin				62.8%
Total Admin Expense as % of Program Funding				81.6%

## Other Major Donors:

Bilateral: Spain and Japan.

Multilateral: Inter-American Development Bank (IDB), European Union (EU) and World Bank (IBRD).